## Congress of the United States

Washington, DC 20515

February 27, 2009

The Honorable Kent Conrad Chairman Committee on the Budget United States Senate 624 Dirksen Senate Office Building Washington, D.C. 20510

The Honorable John M. Spratt, Jr. Chairman
Committee on the Budget
U.S. House of Representatives
207 Cannon House Office Building
Washington, D.C. 20515

The Honorable Judd Gregg Ranking Member Committee on the Budget United States Senate 624 Dirksen Senate Office Building Washington, D.C. 20510

The Honorable Paul Ryan Ranking Member Committee on the Budget U.S. House of Representatives B71 Cannon House Office Building Washington, D.C. 20515

## Dear Sirs:

The President's Budget released on February 26, 2009, reflects a proposal by the Office of Management and Budget (OMB) to change how programs funded by contract authority are treated for budget scoring purposes. Currently, the highway, transit, and airport grant programs are funded by contract authority, a form of mandatory budget authority, derived from the Highway Trust Fund and the Airport and Airway Trust Fund ("Aviation Trust Fund"). OMB proposes to no longer score contract authority as budget authority, but rather to score the obligation limitations that are imposed on these programs in annual appropriations acts as discretionary budget authority.

We strongly oppose this proposed scorekeeping rule change and any other budget process reform that fails to recognize the unique nature of Trust-Funded programs. Such a rule would essentially convert the mandatory contract authority that currently funds our highway, transit, and airport grant programs to a simple authorization of appropriations for budget scoring purposes.

While proponents of such a scorekeeping rule change argue that it would increase Trust Fund transparency, it would in fact do the opposite, by further merging Trust-Funded programs with non-Trust-Funded programs in the budget process. If any budget process reforms are to be made, they should serve to increase the separation of Trust-Funded programs from non-Trust-Funded programs.

We have a longstanding commitment to ensuring that the user fees deposited into the Highway and Aviation Trust Funds are in fact used for their intended purposes – to

The Honorable Kent Conrad The Honorable Judd Gregg The Honorable John M. Spratt, Jr. The Honorable Paul Ryan February 27, 2009 Page 2

rebuild our nation's infrastructure. These Trust Funds represent a contract between the Federal Government and the user. This contract specified that certain user fees would be levied on the users of our surface and aviation transportation systems. In return, the Federal Government pledged to use the receipts to build transportation infrastructure for the taxpayer's use.

Over the past decade, we achieved hard-fought reforms to ensure that this contract was upheld, even in the context of the unified budget. These battles were largely put to rest with the enactment of the funding guarantees established by the Transportation Equity Act for the 21st Century (TEA 21) in 1998 and the Aviation Investment and Reform Act for the 21st Century (AIR 21) in 2000. However, the OMB proposal raises these issues once again.

This same proposal has been made several times in the past - in 1993, 1995, and 1998 - and was rejected by the Budget Committees each time. We urge you to reject this illadvised proposal once again.

Sincerely,

lames L. Oberstar, M.C.

Zhairman

Committee on Transportation and Infrastructure

Barbara Boxer

Chairman

Committee on Environment and Public Works

Chairman

Committee on Commerce, Science, and Transportation

John L. Mica, M.C.

Ranking Member

Committee on Transportation

and Infrastructure

James M. Inhofe

Ranking Member

Committee on Environment

and Public Works

Kay Bailey Hutchison

Ranking Member

Committee on Commerce, Science,

and Transportation

The Honorable Kent Conrad The Honorable Judd Gregg The Honorable John M. Spratt, Jr. The Honorable Paul Ryan February 27, 2009 Page 3

Thuis Ball

Christopher J. Dodd

Chairman

Committee on Banking, Housing, and Urban Affairs

Peter A. De Fazio, M.C.

Chairman

Subcommittee on Highways

and Transit

Max Baucus

Chairman

Committee on Finance, and Subcommittee on Transportation and Infrastructure

Jerry F. Costello, M.C.

Chairman

Subcommittee on Aviation

Richard C. Shelby

Richard C. Shelby
Ranking Member
Committee on Banking,
Housing, and Urban Affairs

John J. Dyncan, Jr., M.C.

Ranking Member

Subcommittee on Highways and Transit

George V. Voinovich

Ranking Member

Subcommittee on Transportation

and Infrastructure

Thomas E. Petri, M.C.

Ranking Member

Subcommittee on Aviation